

General Information Letter: The basic amount for exemptions increased for 2000.

October 10, 2000

Dear:

This is in response to your letter of September 5, 2000 in which you request that we complete your annual survey on withholding and reporting requirements for employer-sponsored retirement plan payments. Department rules require that the Department issue two types of rulings, private letter rulings and general information letters. The Department has adopted rules concerning letter rulings and other information issued by the Department (*2 Ill. Adm. Code 1200*). We would be happy to send you a copy of those rules at your request.

Although you have not requested either type of ruling on behalf of your company, the nature of your questions and the information you provided necessitates that we respond in the form of general information letter. A general information letter, which is designed to provide general information, is not a ruling that is binding on the Department.

We have reviewed your survey. The necessary changes are given below.

On page 3523 a credit is allowed for income taxes paid in other states by **RESIDENTS** (this has always been the case).

On page 248 the new exemption amounts for tax year 2000 are Single--\$1,650, Married--\$2,600 and Dependent--\$1,650. For tax year 2001 these amounts will rise to \$2,000, \$4,000 and \$2,000 respectively.

We hope that our answers were sufficiently responsive to your inquiries.

As mentioned above, this is merely a general information letter and not a statement of policy and is not binding upon the Department. I hope that this has been helpful to you. The Department maintains a website, which can be accessed at www.revenue.state.il.us. If you have additional questions please feel free to contact me at the above address.

Very Truly Yours,

Charles E. Matoesian
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